

## **EXHIBIT 11**

**Lawrence Hospital Center  
Human Resources Policies & Procedures Guide**

**Subject: Employment at Will**

**POLICY NO.: HR-102**

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**Effective: 7-1-02**

**Supersedes: 7-1-99**

**Policy:** The Hospital's "at will" employment relationship provides both employees and the Hospital with a mutual understanding that the employment relationship may be terminated at any time, by either party, with or without cause. This policy applies to all employees.

**Process and Procedure:**

**1. Definition of "Employment at Will":**

- 1.1 Employment with the Hospital is entered into voluntarily. Both Lawrence Hospital Center and the employee have the option of terminating the employment relationship at any time, with or without reason. In no event will the hiring of an employee be construed as establishing a contractual relationship between the Hospital and the employee or guaranteeing employment for any specific period of time.

**Approval:**

DAG/sguttino, VPHC 7/1/02

Subject: Probationary Periods

POLICY NO.: HR-105

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Effective: 7-1-02

Supersedes: 7-1-99

**Policy:** Employees who are new to the Hospital or new to a position need a period of time to adjust, learn their particular job function and determine whether their expectations are being met and their skills match the job requirements.

This policy applies to all employees who are new to the Hospital or new to a position. It describes the probationary periods, procedures and responsibilities of supervisors, department heads, and Human Resources.

**Process and Procedure:**

**1. Overview of Probationary Periods:**

- 1.1 All employees new to a position or the Hospital are subject to a probationary period for their particular job.
- 1.2 The probationary period for non-exempt employees is 90 days. The probationary period for exempt employees is 180 days. Probationary periods may be extended if the Department Manager feels an extension is necessary and/or appropriate. Extensions should have the approval of Human Resources. Probationary periods may be extended on a monthly basis up to three additional months.
- 1.3 If at any time prior to the completion of the probationary period, either the employee or manager has reason to believe that successful completion is not possible, then one of two alternatives can be considered: (1) if there is another job available where there is a reasonable expectation of success, the employee may be transferred; or (2) if an opportunity for transfer does not exist, then employment will be terminated. The employee will be notified of the termination either by his/her Department Manager or by Human Resources.

**2. Human Resources Responsibilities:**

- 2.1 Human Resources will explain the Hospital's probationary period policy and procedures to new employees during the new hire process. This includes information regarding accrual and availability of benefits.
- 2.2 Approximately one month prior to the completion of the probationary period, the Department Manager will receive a reminder from Human Resources that a probationary evaluation is due.

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- 2.3 Successful completion of probationary periods does not imply permanent employment. As stated in the "Employment at Will" policy, the Hospital or the employee may terminate employment at any time with or without cause.

**3. Department Head Responsibilities:**

- 3.1 The Department Head in consultation with Human Resources is responsible for deciding whether or not the employee has successfully completed the probationary period.

**4. Supervisor Responsibilities:**

- 4.1 The supervisor will remind new employees about the probationary period.
- 4.2 The supervisor will provide feedback to the employee whenever appropriate during the probationary period. The supervisor is expected to make an effort to help the employee correct problems and deficiencies as they arise.
- 4.3 During the last week of the probationary period, the supervisor will conduct a performance review discussion with the employee. The supervisor and employee will openly discuss mutual observations and expectations.
- 4.4 The supervisor will complete the Employee Evaluation Form. The completed evaluation form must be signed by the Department Head and forwarded to Human Resources for processing.
- 4.5 The supervisor may recommend termination of employment at any time during the probationary period. This recommendation must be submitted in writing to Human Resources and the Department Head.

**5. Employee Responsibilities:**

- 5.1 Employees are expected to discuss any adjustment problems they are having with their immediate supervisor. This includes discussions regarding clarification of policies and procedures and any other work related difficulties.
- 5.2 Employees promoted or transferred to another position/title change will serve a probationary period under the same guidelines that apply to new employees.

Approval:

Debra J. Miller, MPH 7/11/02

**Lawrence Hospital Center****Human Resources Policies & Procedures Guide****Subject: Attendance & Punctuality****POLICY NO.: HR-202****Page 1 of 3****Effective: 7-1-02****Supersedes: 7-1-99**

**Policy:** In order to meet the Hospital's objectives of providing efficient and effective patient care, regular attendance and punctuality are required of all employees. Frequent lateness and absenteeism disrupt Hospital operations and reduce employee morale.

This policy applies to all employees. It includes procedures that employees and managers are required to follow when reporting lateness and absences. It also includes an explanation of patterns of abuse and the corrective action that may result in the event of frequent lateness or absences.

**Process and Procedure:****1. Overview:**

- 1.1 All employees are expected to report to and begin working promptly at their scheduled starting times each day and to remain at work unless they are ill or have obtained prior approval to be absent or to leave the premises for some other reason.
- 1.2 Excessive absence or lateness will not be tolerated and may result in corrective action, including termination of employment.
- 1.3 Lateness and absenteeism may be considered excessive when 5 or more occurrences exist within a floating, but consecutive 12-month cycle.
- 1.4 When considering patterns of abuse regarding absenteeism, the number of occurrences should be viewed rather than the total number of days. For example, situations where an employee is out one time for five days may not be considered excessive. Situations where an employee is out one or two days on five separate occasions are likely to be considered excessive.

**2. Employee Responsibilities:**

- 2.1 Good attendance and punctuality are basic employee obligations. Employees are responsible for reporting to and beginning their work assignments promptly on each scheduled workday, including days that have been scheduled for overtime, and for remaining on the job during all working hours.

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- 2.2 Employees who cannot report for work must call their manager or supervisor at least 1 hour prior to the start of their shift, or according to department practice. The employee must provide the reason for lateness or absence directly to their immediate supervisor. Leaving a message with a co-worker does not constitute proper notification.
- 2.3 Employees who are absent on consecutive days should notify their immediate supervisor each day unless otherwise approved by the supervisor.
- 2.4 Employees who are absent more than three days may be required to furnish medical certification supporting their illness.
- 2.5 Employees who are on an extended illness absence must keep their manager/supervisor informed at regular and reasonable intervals of their progress and anticipated date of return.
- 2.6 Employees are responsible for taking steps necessary to correct excessive absence and lateness, regardless of the associated reasons.

**3. Management Responsibilities:**

- 3.1 Managers are responsible for controlling absenteeism and lateness in their area, assuring that employees remain on the job during working hours, keeping accurate attendance and punctuality records and taking appropriate corrective action when required.
- 3.2 Attendance and punctuality will be monitored by managers and supervisors on a floating but consecutive 12 month cycle.
- 3.3 Managers and supervisors are responsible for ensuring that pay is adjusted for lateness and absences when appropriate, unless arrangements are made for applying paid time off..
- 3.4 During discussions of punctuality and attendance problems, managers and supervisors should refer employees to the Employee Assistance Program if the employee sites the cause of lateness or absenteeism as any kind of "personal" reason such as substance abuse, child care problems or other family related problems. Managers and supervisors should not attempt to counsel employees on personal matters.
- 3.5 Because the attendance and punctuality policies may be subject to interpretation, managers should consult with Human Resources before taking corrective action.

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- 3.6 In situations where an employee is absent more than three consecutive days, or the manager questions the validity of the illness, the manager or supervisor may request medical documentation i.e., a physician's note verifying the illness. Such documentation should be kept in a confidential file.

**Approval:**

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**Subject : Corrective Action****POLICY NO. : HR-603****Page 1 of 5****Effective 7-1-02****Supersedes: 7-1-99**

**Policy:** Lawrence Hospital Center believes in treating employees as responsible adults and promotes a non-punitive approach to managing behavior in the workplace. Therefore, whenever attendance/punctuality, conduct or performance problems occur, our process is designed to encourage employees to change their behavior, accept responsibility and return to a fully acceptable level of performance.

This policy applies to all employees, except as may be modified by an applicable collective bargaining agreement. The policy itself is not a contract. Rather, the procedures described in this policy are intended to provide guidelines for supervisors and managers in addressing problems with employee work performance, attendance, punctuality, and adherence to the Hospital's core values of respect, quality, integrity and teamwork. While the hospital strives for consistency in addressing concerns of this kind, we nevertheless recognize that numerous possible variations in individual circumstances may occur and that therefore some divergence from these guidelines may be required. The policy is intended to describe the steps that are generally to be taken when corrective action becomes necessary, and to describe: (1) the responsibilities of the supervisors or managers in the corrective action process; (2) the responsibilities of the employee in the corrective action process; and (3) the role of the Human Resources Department in the corrective action process.

**Process and Procedure:****1. Corrective Action Process:**

- 1.1 For many work performance problems or violations of Hospital standards of conduct, corrective action will begin with coaching. Coaching can be administered either formally or informally through candid conversations with the employee about the problem behavior. Therefore, as soon as there is evidence of a problem or potential problem, the immediate supervisor should communicate with the employee about the need to correct the problem. However, some instances of employee misconduct may be so grievous that they will require corrective action at a more serious level, such as suspension or termination from employment. Examples of such misconduct include, but are not limited to, sexual harassment, theft or destruction of Hospital property, patient abuse, possession of a weapon in the workplace, and possession, use or sale of illegal drugs. See Section 8.1 for offenses that may result in immediate dismissal.
  
- 1.2 Coaching begins by specifically identifying and communicating to the employee the difference between actual and desired performance. The employee should also be informed as to why it is important that the problem be solved and a verbal agreement to change the problem behavior should be obtained from the employee. The problem may involve a single incident or a series of infractions.

- 1.3 Typically, situations that warrant corrective action include but are not limited to performance, attendance and punctuality problems and other violations of organizational policies and procedures.
- 1.4 In coaching an employee, the supervisor or manager should try to relate the corrective action to the violation of a particular Hospital policy, and should describe the details of the incident that led the supervisor to conclude a violation had occurred.
- 1.5 If the supervisor's initial attempt at coaching does not succeed in alleviating the work performance or policy violation problem, then the supervisor should begin the corrective action process. This process can proceed from (1) verbal warning to (2) written warning to (3) suspension to (4) termination from employment, or the process can begin at step 2 or later, depending upon all of the surrounding circumstances, including the seriousness of the policy violation or work performance issue.
- 1.6 Before proceeding through the corrective action process, the supervisor or manager should make sure that he or she has completed a full investigation into the underlying incident or incidents and that the investigation leads the supervisor to conclude that it is more likely than not that the incident occurred. The supervisor's investigation should include meeting with the employee to obtain his or her version of the facts and the supervisor should review the investigation results and proposed corrective action with a member of the Human Resources Department before issuing the corrective action to the employee.
- 1.7 The warning should be used to document that the corrective action process has been activated.
- 1.8 All discussions involving corrective action should take place privately between the manager and the employee.

## 2. Procedures for Issuing Warnings:

- 2.1 Prior to issuing warnings, a thorough investigation should be completed to determine if:
  - (a) The employee understands the policy or procedure that was violated or the deficiency in his or her work performance that is at issue.
  - (b) The employee knew or should have known in advance that such conduct would be subject to corrective action.
  - (c) There is evidence that leads the Hospital to conclude that it is more likely than not that the violation occurred.
  - (d) The corrective action planned reasonably relates to:
    - The seriousness of the offense
    - The employee's record with the organization
    - Corrective action taken with other employees who have committed similar violations.

- 2.2 Regardless of the step of the process (verbal, written, suspension or termination), once the Hospital concludes that it has a basis to address one or more violations of policy or work performance problems by the employee, a warning is issued during a formal meeting and followed up with documentation.
- 2.3 Warning meetings should begin the same way as a coaching session as described in 1.2 above. In addition, the manager/supervisor should:
  - Listen to what the employee has to say to make sure that there is no reason not to proceed with the formal warning.
  - Review the previous discussions (both coaching sessions and previous warnings) that have taken place between the manager and the employee regarding the situation.
  - If previous discussions resulted in the employee's agreement to correct the behavior, it should be indicated that there is not only concern with the continuation of the original problem, but also with the employee's failure to live up to the agreement that he/she made.
  - Advise the employee of the specific performance change that is required and confirm that he/she knows exactly what is expected and when.
  - Gain the employee's agreement to solve the problem.
  - Advise the employee that this conversation is a formal warning.
  - Close the meeting by communicating a positive expectation of change and advising the employee that the conversation will be documented.
- 2.4 In most circumstances if the problem continues after a verbal and written warning, the employee may be suspended. Any additional infractions following a suspension will result in termination of employment.

**3. Administration of the Corrective Action Process:**

- 3.1 In most situations, the immediate supervisor is responsible for initiating the corrective action process.
- 3.2 Prior to issuing a warning, the immediate supervisor should consult with Human Resources management.

**4. Witnesses:**

- 4.1 When suspending or terminating an employee, the supervisor or manager who is issuing the corrective action notice must be accompanied in the corrective action meeting by a Department Head, Administrative Officer or member of Human Resources Management.

**5. Documentation:**

- 5.1 All warnings should be documented. The documentation should reflect the conversation as outlined in 2.3 above.
- 5.2 Employees should be asked to sign all written warnings. Their signature indicates that they have read and received a copy of the document. The signature does not necessarily indicate their agreement with the action. If